The CK Group’s audited profit attributable to shareholders amounted to HK$53,869 million, increased by 53%.

HIGHLIGHTS OF THE CK GROUP

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>31,218</td>
<td>32,314</td>
<td>-3%</td>
</tr>
<tr>
<td>Profit before investment property revaluation</td>
<td>15,301</td>
<td>17,915</td>
<td>-15%</td>
</tr>
<tr>
<td>Investment property revaluation (net of tax)</td>
<td>5,017</td>
<td>1,801</td>
<td>+179%</td>
</tr>
<tr>
<td>Profit before share of results of Hutchison Whampoa Group</td>
<td>20,318</td>
<td>19,716</td>
<td>+3%</td>
</tr>
<tr>
<td>Share of profit of Hutchison Whampoa Group</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit (excluding investment property revaluation and share of associate’s exceptional gain)</td>
<td>12,985</td>
<td>15,544</td>
<td>-16%</td>
</tr>
<tr>
<td>Investment property revaluation</td>
<td>12,540</td>
<td>–</td>
<td>N/A</td>
</tr>
<tr>
<td>Share of associate’s gain on separate listing of Hong Kong electricity business</td>
<td>8,026</td>
<td>–</td>
<td>N/A</td>
</tr>
<tr>
<td>Profit attributable to shareholders</td>
<td>53,869</td>
<td>35,260</td>
<td>+53%</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>HK$23.26</td>
<td>HK$15.22</td>
<td>+53%</td>
</tr>
<tr>
<td>Second interim/final dividend per share Note 2</td>
<td>HK$3.016</td>
<td>HK$2.90</td>
<td>+4%</td>
</tr>
<tr>
<td>Full year dividend per share</td>
<td>HK$3.654</td>
<td>HK$3.48</td>
<td>+5%</td>
</tr>
<tr>
<td>Special dividend per share Note 3</td>
<td>HK$7.00</td>
<td>–</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Note 1: Turnover does not include the turnover of joint ventures (except for proceeds from property sales shared by the CK Group) or the turnover of associates, notably the Hutchison Whampoa Group. Total revenue of the Hutchison Whampoa Group for the year amounted to HK$421,472 million (2013 – HK$412,933 million).

Note 2: According to Cheung Kong’s announcement dated 9th January, 2015, a second interim dividend will be paid in lieu of a final dividend for 2014 based on the full results for the financial year of 2014.

Note 3: The special dividend of HK$7.00 per share was paid on 14th May, 2014.

PROFIT FOR THE YEAR


DIVIDEND

The Directors of Cheung Kong have declared a second interim dividend of HK$3.016 per share in lieu of a final dividend for 2014 to shareholders whose names appear on the Register of Members of Cheung Kong at 4:00 p.m. on Tuesday, 17th March, 2015. This together with the first interim dividend of HK$0.638 per share paid on 12th September, 2014 gives a total of HK$3.654 per share for the year (2013 – HK$3.48 per share). The second interim dividend will be paid on Wednesday, 15th April, 2015. In addition, the CK Group has paid a special dividend of HK$7.00 per share of Cheung Kong on 14th May, 2014.
PROSPECTS
In January 2015, the Cheung Kong Group has embarked on a strategic reorganisation to better reflect the underlying value of its core businesses and to realise maximum business synergies. The reorganisation will provide greater transparency and investment flexibility for shareholders and investors and together with the Cheung Kong Group’s solid financial profile, favourably position the Cheung Kong Group for new business opportunities and future long-term business development.

The proposed merger and reorganisation of the CK Group and the Hutchison Whampoa Group’s businesses into two new Hong Kong-listed entities, CK Hutchison Holdings Limited, holding all of the non-property businesses of the two groups and Cheung Kong Property Holdings Limited, combining the property businesses of the two groups, is expected to create significant value for our shareholders. Completion of this proposal is conditional on obtaining shareholders’ and regulatory approvals, court sanction and fulfillment of all conditions precedent. Further details on the timetable and shareholders’ approval process will be provided in due course.

2014 in Review
Business Performance
The global economic recovery was mixed in 2014 with growth in the U.S. gradually strengthening while economic performance in Europe and Japan was below expectations. The global marketplace continued to face various uncertainties, although the conclusion of the U.S. asset purchase program in October 2014 has caused no significant adverse effects so far.

For the year ended 31st December, 2014, the CK Group’s profit before share of results of the Hutchison Whampoa Group was HK$20,318 million, 3% higher than that reported last year.

In 2014, contribution from property sales in Hong Kong improved while the contribution from the Mainland fell markedly. A decrease in contribution from property rental was recorded, largely attributable to the disposal of the Kingswood Ginza property in Tin Shui Wai, while the performance of the CK Group’s hotel and serviced suite operation remained stable. Meanwhile, contribution from the infrastructure businesses increased solidly following the acquisition of an energy-from-waste business in the Netherlands in 2013, a natural gas distribution business in Australia and an off-airport car park business in Canada during 2014. In addition, the newly invested aircraft leasing business has started to provide profit contribution to the CK Group. The decrease in operating profit in 2014 was partly offset by the CK Group’s share of a one-off exceptional gain generated from the spin-off of the Hong Kong electricity business of Power Assets, and a significant increase in the fair value of investment properties in light of the CK Group’s long held policy of conservative property valuation.
In Hong Kong, the CK Group’s property sales increased over last year with the market response to the launches of our property projects generally in line with expectations. The local property market firmed up in 2014 with buyers’ sentiment and trading activities improving over 2013. Prospects remain positive as a whole. Local construction costs and labour wages are likely to continue their rising trends, and government policy measures will remain a major factor in determining the overall market direction. Our strategy will continue to be responsive to changing market conditions, and we intend to strengthen further our quality property portfolio by capitalising on suitable land acquisition opportunities as they arise. We expect further progress to be achieved in property sales in 2015 as compared to 2014.

On the Mainland, contribution from property sales in 2014 was to some extent affected by the current modest slowdown in the CK Group’s business activities. However, we are confident in the Mainland’s long-term market prospects. We will continue to strengthen our property business in a disciplined manner by making land acquisitions and engaging in property development projects as and when suitable opportunities arise.

The CK Group’s performance in other property markets outside Hong Kong was in line with expectations. We are committed to strengthening our business fundamentals in existing markets. We will continue to actively explore the potential of new markets by taking full advantage of business opportunities that fulfill our stringent investment criteria.

Our international infrastructure businesses continued to expand and generated solid profit contribution to the CK Group in 2014. An off-market takeover bid was made by a consortium comprising the CK Group, Cheung Kong Infrastructure Holdings Limited (“CKI”) and Power Assets Holdings Limited (“Power Assets”) to acquire Envestra Limited (“Envestra”), now known as Australian Gas Networks Limited, one of the largest natural gas distribution companies in Australia that serves about 1.2 million customers. The acquisition was completed in the third quarter of 2014 for a total consideration of around HK$14.1 billion (approximately A$1.96 billion).

In January 2015, a 50/50 joint venture of the CK Group and CKI entered into an agreement to acquire Eversholt Rail Group (“Eversholt Rail”), one of the three major rolling stock operating companies in the United Kingdom. The enterprise value of the transaction is approximately HK$29.3 billion (approximately GBP2.5 billion). Eversholt Rail leases a diverse range of rolling stock, including regional, commuter and high speed passenger trains, as well as freight locomotives and wagons, on long-term contracts. The acquisition adds a new facet to the infrastructure portfolio and is expected to deliver recurring cash flows as well as stable returns. Completion is expected to take place around April 2015.

2014 marked a new milestone in the CK Group’s pursuit of diversification and globalisation through its entry into the aircraft leasing business. Four agreements were reached in November last year, whereby the CK Group agreed to purchase from various sellers a total of 60 aircraft. The CK Group has a 50% interest in 15 of these aircraft and a 100% interest in the remaining 45 aircraft. The aircraft leasing business is able to generate long-term steady income, and the transactions completed to date will constitute a meaningful platform on which to develop further the aircraft ownership and leasing business.

Building on its solid fundamentals and strong financial capability, the Group will continue to pursue different quality investments worldwide in order to nurture growth and create value for shareholders.
Listed Affiliated Companies
In addition to its own global ventures, the CK Group also benefited from worldwide opportunities arising from its strategic investments in listed affiliated companies, particularly through the Hutchison Whampoa Group’s diversified portfolio of global businesses. In 2014, businesses in markets beyond Hong Kong continued to expand steadily and deliver favourable results to the CK Group.

The Hutchison Whampoa Group
The Hutchison Whampoa Group achieved solid performances overall and demonstrated strong resilience to certain challenging economic and market conditions in 2014. The exceptionally sharp fall in global oil prices has had an impact on the profitability of Husky Energy (“Husky”) in 2014. However, the fall in oil prices is an international occurrence affecting the whole sector. We have full confidence in Husky’s oil business in the long run particularly in view of its healthy fundamentals and well-balanced strategy.

Adhering to its principle of “Advancing with Stability”, investment decisions are made prudently based on the long-term interests of its shareholders. Barring unforeseen material adverse external developments and considering the current level of oil prices, we expect overall businesses will continue to meet these objectives and achieve a solid performance in 2015. We have strong confidence in the long-term prospects of the Hutchison Whampoa Group’s businesses which are poised to enter a new chapter of growth following the proposed reorganisation together with the CK Group’s businesses and the proposed spin-off*.

CKI
In 2014, all of CKI’s existing businesses continued to consolidate their foundations and provide recurring cash flows. Organic growth is also on track. CKI will continue to grow and develop existing businesses organically, and will acquire new businesses that generate attractive and secure returns. We believe that there is significant growth potential for CKI due to its expanding capital base and extensive infrastructure investment experience. As demonstrated by its track record in balancing continued growth with a comfortable gearing position, CKI is committed to a business model which maintains a good balance between stability and growth.

Power Assets
In 2014, Power Assets achieved a satisfactory overall performance, continuing the trend of consistent growth over the past few years. Following the spin-off of the Hong Kong electricity business in January 2014, Power Assets enters 2015 in an advantageous cash position, enabling it to seek suitable investment opportunities worldwide while continuing to focus on achieving its long-term objective of delivering growth in shareholder value through high-quality investments in stable, well-regulated power and gas markets globally.

CK Life Sciences
CK Life Sciences Int’l., (Holdings) Inc. (“CK Life Sciences”) has continued to make progress in 2014. Its financial capacity is sound and business operations are good. The continued organic growth of its existing businesses is poised to strengthen its revenue. CK Life Sciences is making steady progress towards new milestones in R&D. While the recent acquisitions of high quality assets in the agricultural-related business have expanded the scope of its investment portfolio, CK Life Sciences will continue to prudently seek new investments that will strengthen its investment portfolio and propel its growth momentum.
Looking Ahead

Global interest rates will likely remain at low levels for a considerable time following the European Central Bank’s decision to launch an expanded asset purchase program and the recent moves of certain major economies to cut interest rates. The sharp fall in the Euro against the U.S. dollar is expected to increase the competitiveness of the Euro zone and to benefit its long-term economic development. Looking forward to 2015, the U.S. economy is on track for positive growth, and the global economy is expected to continue a steady recovery, barring no major unforeseen material adverse developments.

China is heading in the right direction by continuing with its implementation of the broad-based and deep-rooted reform and opening policy. This not only brings greater motivation and aspirations to the nation, but also serves as a key driving force in establishing China in its proper place in the global economic order. The Central Government has reaffirmed its commitment to a “new normal” state of more sustainable economic growth, and the priority of its economic agenda for 2015 is to keep this growth balanced and steady. With proactive fiscal and prudent monetary policies firmly in place, China’s growth prospects remain optimistic.

2015 will be a landmark year in the Cheung Kong Group’s development. Upon completion of the proposed reorganisation and related proposals*, it is expected that the elimination of the holding company discount previously associated with our business structure will truly and more accurately reflect the strength and value of the Cheung Kong Group, further define our market position, and present greater opportunities for expansion and development. This strategic move is beneficial to the Cheung Kong Group and its shareholders as a whole. In this age of innovation and technological revolution, and amidst continued economic volatility, the Cheung Kong Group will adhere to its principle of “Advancing with Stability” and make prudent investment and financial decisions based on the long-term interests of our shareholders. Faced with intense competition from all corners of the globe, we must steer our course with wisdom in order to meet the challenges that lie ahead. We are well poised to achieve great success in the coming years, and we have strong confidence in the Cheung Kong Group’s long-term prospects.

Intelligent, creative, dedicated and loyal employees are the CK Group’s most valuable asset in this extremely competitive and challenging global environment. We take this opportunity to thank our colleagues on the Board, the staff members of the CK Group and our diligent employees worldwide for their hard work, loyal service and contributions during the year.

Li Ka-shing
Chairman

Li Tzar Kuoi, Victor
Managing Director

Hong Kong, 26th February, 2015

* The proposed reorganisation was completed on 18th March, 2015. Shareholders’ approvals have been obtained for related proposals on 20th April, 2015 while completion of such proposals is still subject to regulatory approvals, court sanction and fulfillment of all conditions precedent.